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OFFICE OF PETITIONS

In re Application of  
Corey S. Goodman et al  
Application No. 08/971,172  
Filed: 14 November 1997  
Attorney Docket No. B98-006-2

ON PETITION

This is a decision on the petition filed December 14, 2001, which is being treated as a petition under 37 CFR 1.181(a)(3) to invoke the supervisory authority of the Director<sup>1</sup> to review a decision by the Group Director of Technology Center 1600 mailed on July 9, 2001, and to direct the examiner to immediately allow the pending claims in the above-identified application.

The petition to direct the examiner to immediately allow the pending claims in the above-identified application is **DENIED**.

**BACKGROUND**

On March 5, 1999, a first Office action on the merits was mailed in response to the election of Group II, claims 4-6 and 8, submitted September 18, 1998. On May 21, 1999, petitioners filed a reply to the Office action of March 5, 1999, and on July 29, 1999, petitioners filed a supplemental reply to the Office action of March 5, 1999.

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<sup>1</sup> The title "Commissioner" was changed to "Director" in the American Inventors Protection Act of 1999. See Pub. L. 106-113, 113 Stat. 1501 *et seq.* (1999). As used in this decision, "Director" means the Director of the United States Patent and Trademark Office and "Group Director" means the Group Director of Technology Center 1600.

On October 14, 1999, a final Office action was mailed. On November 15, 1999, petitioners filed a reply to the final Office action of October 14, 1999.

On January 21, 2000, a second non-final Office action was mailed which withdrew the finality of the Office action of October 14, 1999. On February 16, 2000, petitioners filed a reply to the non-final Office action of January 21, 2000.

On May 10, 2000, a third non-final Office action was mailed. On September 7, 2000, petitioners filed a reply to the non-final Office action of May 10, 2000.

On March 27, 2001, a fourth non-final Office action was mailed.

In each of the above-mentioned Office actions, all of the examined claims were rejected.

On June 19, 2001, petitioners submitted a communication that was treated as a petition under 37 CFR 1.181, which in essence requested that the Group Director immediately allow all pending claims because petitioners had received five substantive actions on the merits and thus the United States Patent and Trademark Office (Office) has exhausted its statutory authority to reject the claims of this patent application. Petitioners alleged that 35 U.S.C. §§ 131, 132, 134, 141 and 151 provide a clear statutory procedure for examining patent applications and a basis for the allowance of the pending claims. Petitioners asserted that these provisions provide applicants with safeguards from, in essence, endless examination and the denial of the statutory right to appeal to the Board of Patent Appeals and Interferences (Board), and that the present claims have been examined and rejected beyond that authorized by 35 U.S.C. §§ 131 and 132. Petitioners further argued that the Office's implementation in 37 CFR 1.193 of appellate procedure under 35 U.S.C. § 134 offers no remedy where the Office routinely declines to answer appeals but rather simply reopens prosecution.

In the decision of July 9, 2001, the Group Director denied the petition on the basis that: (1) 35 U.S.C. § 132 does not preclude multiple reexaminations and there is no requirement that prosecution be concluded in any set number of Office actions; and (2) the Office is precluded from issuing an application as a patent unless it appears that an applicant is entitled to a patent under the law and the pending claims in the above-identified application remain subject to rejection.

On July 17, 2001, petitioners filed a reply to the non-final Office action of March 27, 2001.

On October 10, 2001, a final Office action was mailed.

On December 14, 2001, petitioners filed a communication entitled "REQUEST FOR CLARIFICATION AND TO RESCIND DECISION OF GROUP DIRECTOR" (see petition of December 14, 2001 at 1). Since the communication of December 14, 2001 appears to request supervisory review of the Group Director's decision of July 17, 2001, the communication of December 14, 2001 is being treated as a petition under 37 CFR 1.181(a)(3) to invoke the supervisory authority of the Director to review the Group Director's decision of July 9, 2001, and to direct the examiner to immediately allow the pending claims in the above-identified application.

On January 10, 2002, petitioners filed a Notice of Appeal.

#### STATUTE AND REGULATION

35 U.S.C. § 2(b) provides, in pertinent part, that:

The Office . . . may establish regulations, not inconsistent with law, which-- shall govern the conduct of proceedings within the Office.

35 U.S.C. § 131 provides that:

The Director shall cause an examination to be made of the application and the alleged new invention; and if on such examination it appears that the applicant is entitled to a patent under the law, the Director shall issue a patent therefor.

35 U.S.C. § 132(a) provides that:

Whenever, on examination, any claim for a patent is rejected, or any objection or requirement made, the Director shall notify the applicant thereof, stating the reasons for such rejection, or objection or requirement, together with such information and references as may be useful in judging of the propriety of continuing the prosecution of his application; and if after receiving such notice, the applicant persists in his claim for a patent, with or without amendment, the application shall be reexamined. No amendment shall introduce new matter into the disclosure of the invention.

35 U.S.C. 134 provides, in pertinent part, that:

An applicant for a patent, any of whose claims has been twice rejected, may appeal from the decision of the primary examiner to the Board of Patent Appeals and Interferences.

37 CFR 1.113(a) provides that:

On the second or any subsequent examination or consideration by the examiner the rejection or other action may be made final, whereupon applicant's, or for ex parte reexaminations filed under § 1.510, patent owner's reply is limited to appeal in the case of rejection of any claim (§ 1.191), or to amendment as specified in § 1.114 or § 1.116. Petition may be taken to the Commissioner in the case of objections or requirements not involved in the rejection of any claim (§ 1.181). Reply to a final rejection or action must comply with § 1.114 or paragraph (c) of this section. For final actions in an inter partes reexamination filed under § 1.913, see § 1.953.

37 CFR 1.191(a) provides that:

Every applicant for a patent or for reissue of a patent, and every owner of a patent under ex parte reexamination filed under § 1.510 for a patent that issued from an original application filed in the United States before November 29, 1999, any of whose claims has been twice or finally (§ 1.113) rejected, may appeal from the decision of the examiner to the Board of Patent Appeals and Interferences by filing a notice of appeal and the fee set forth in § 1.17(b) within the time period provided under §§ 1.134 and 1.136 or reply.

#### OPINION

Petitioners request that the Director rescind the decision of the Group Director and immediately allow of all pending claims. Petitioners assert that the Director has exhausted his statutory authority to continue to reject the claims of the above-identified patent application. Petitioners specifically complain that the examiner has issued five substantive actions on the merits and that the latest action raises yet new issues and has not been made a final Office action.

The standard for review of the action of the Group Director is consideration of whether the action of the Group Director was arbitrary or capricious, such that the action was tantamount to an abuse of discretion. However, the record fails to show that the decision constitutes an abuse of discretion.

Petitioners contend that the Group Director errs in stating that 35 U.S.C. § 132 does not preclude multiple reexaminations. 35 U.S.C. § 131 provides that the Office shall cause an examination to be made of the application, and 35 U.S.C. § 2(b)(2) (formerly 35 U.S.C. § 6(a)) provides that the Office may establish regulations, not inconsistent with law, to govern the conduct of proceedings within the Office. 35 U.S.C. § 132(a)

provides that the Office will examine an application (assuming that the application in condition for examination) and, if the applicant persists in his claim for a patent in a timely and proper manner, the Office will reexamine the application. The patent statute, however, does not preclude the Office from additional examination of the application at the request of the applicant or initiative of the Office if necessary to determine whether the applicant is entitled to a patent.

The Office's reviewing courts have specifically held that a court decision reversing a rejection does not preclude further examination of the application by the Office subsequent to the examination provided for in 35 U.S.C. §§ 131 and 132 and the Board and court review provided for in 35 U.S.C. §§ 134 and 141. See Jeffrey Mfg. Co. v. Kingsland, 179 F.2d 35, 36, 83 USPQ 494, 494 (D.C. Cir. 1949); see also In re Gould, 673 F.2d 1385, 1386, 213 USPQ 628, 629 (CCPA 1982) (the Office may always reopen prosecution in an application under an *ex parte* court appeal once it regains jurisdiction over the application); In re Arkley, 455 F.2d 586, 589, 172 USPQ 524, 527 (CCPA 1972) (the Office is free to make such other rejections as it considers appropriate subsequent to a court decision reversing a rejection); In re Fisher, 448 F.2d 1406, 1407, 171 USPQ 292, 293 (CCPA 1971) (reversal of rejection does not mandate issuance of a patent); In re Ruschig, 379 F.2d 990, 993, 154 USPQ 118, 121 (CCPA 1967) (subsequent to a court decision reversing a rejection, the Office may reopen prosecution and reconsider previously withdrawn rejections that are not inconsistent with the decision reversing the rejection); In re Citron, 326 F.2d 418, 419, 140 USPQ 220, 221 (CCPA 1964) (following decision reversing a rejection of claims, the Office has not only the right but the duty to reject claims deemed unpatentable over new references). It follows, *a fortiori*, that the patent statute (35 U.S.C. §§ 131, 132, 134, 141, and 151) does not require the Office to conclude examination of an application in the two examinations provided for in 35 U.S.C. §§ 131 and 132.

Petitioners also complain that the examination process could in theory be indefinitely extended, and as such, deny applicants due process if "the Office routinely declines to answer appeals" (see petition of December 14, 2001 at 1). 35 U.S.C. § 134 provides that an applicant, any of whose claims has been twice rejected, may appeal from the decision of the primary examiner to the Board of Patent Appeals and Interferences. 35 U.S.C. § 2(b)(2) authorizes the Office to promulgate regulations governing the appellate process, and 35 U.S.C. § 134 does not preclude the Office from authorizing the examiner to reopen prosecution when it is determined that the issues are not sufficiently developed for appeal. While 37 CFR 1.193 authorizes the examiner to reopen prosecution in response to an appeal brief or a reply brief, 37 CFR 1.193 allows the applicant to reply to such reopening of prosecution by requesting reinstatement of the appeal. See 37 CFR 1.193(b)(2)(ii). To the extent that the provisions for reopening prosecution in response to an appeal brief or reply brief have the potential for an examiner to abuse the process and avoid ever forwarding the application to the Board,

the Office places a check on this potential for abuse by requiring an examiner to obtain supervisory approval prior to reopen prosecution after an appeal. See MPEP 1002.02(d) and 1208.01. Nevertheless, petitioners' arguments concerning the reopening prosecution in response to an appeal brief or reply brief are speculative in the above-identified application as there has been no appeal brief or reply brief filed at any time in the above-identified application. That is, the record fails to reveal any instance in which the examiner has declined to answer an appeal in the above-identified application.

Since the second Office action of October 14, 1999, and the subsequent Office actions of May 10, 2000, March 22, 2001, and October 10, 2001, petitioners were permitted by statute (35 U.S.C. § 134) and regulation (37 CFR 1.191) to seek Board review of the adverse rejection(s) of the claims in the above-identified application, but have done so only after the filing of this petition. Under the patent statute and rules of practice, the applicant, not the Office, must initiate any appeal, and may do so once any claim has been twice or finally rejected (a condition that has existed in the above-identified application since October 14, 1999). Thus, the alleged harm in the above-identified application arises not from any action of the Office, but from petitioners' decision to reply to the Office actions of October 14, 1999, May 10, 2000, and March 22, 2001 under 35 U.S.C. § 132 and 37 CFR 1.111, rather than appeal the rejections in those Office actions under 35 U.S.C. § 134 and 37 CFR 1.191.

Finally, petitioners complain that the Group Director's decision misapprehends the statutory role of the Office in issuing patents and argue that 35 U.S.C. § 151 requires the Director to issue a patent. 35 U.S.C. § 131 provides that "[t]he Director shall cause an examination to be made of the application and the alleged new invention; and **if on such examination it appears that the applicant is entitled to a patent under the law, the Director shall issue a patent therefor**" (emphasis added). 35 U.S.C. § 151, ¶ 1, reiterates the "if . . . it appears that the applicant is entitled to a patent under the law" language of 35 U.S.C. § 131 as a precondition to the Office issuing a notice of allowance in an application. It is well established that if there is any substantial, reasonable ground within the knowledge or cognizance of the Director why the application should not issue, the Director has the duty, much less the authority, to refuse to issue the application. See In re Drawbaugh, 9 App. D.C. 219, 240 (D.C. Cir 1896). The statutory precondition to the Office's issuance of a notice of allowance (35 U.S.C. § 151) and ultimate issuance of a patent (35 U.S.C. § 131) is it appearing that the applicant is entitled to a patent under the law. Therefore, the Director has the authority and responsibility under 35 U.S.C. §§ 131 and 151 to resolve whether the pending claims in the above-identified application are patentable under 35 U.S.C. §§ 102 and 103 before issuing a notice of allowance in the above-identified application.

DECISION

A review of the record indicates that the Group Director did not abuse her discretion or act in an arbitrary manner in her treatment of the petition of June 19, 2001. Each relevant issue raised by the petition of June 19, 2001 was treated fully and the Group Director provided a reasonable basis to support her findings and conclusion that the provisions of 35 U.S.C. §§ 131, 132, 134, 141 and 151 do not preclude more than two examinations of an application or require the immediate allowance of all pending claims.

This petition is granted to the extent that the Group Director's decision of July 9, 2001 has been reviewed; however, the petition is **denied** with respect to disturbing the Group Director's decision of July 9, 2001 or directing the examiner to immediately allow the pending claims in the above-identified application.

This decision may be viewed as a final agency action within the meaning of 35 U.S.C. § 704 for purposes of judicial review. See MPEP 1001.02.

The above-identified application is being returned to Technology Center AU 1647 to await the filing of petitioners' appeal brief in accordance with 37 CFR 1.192.

Telephone inquiries regarding this decision should be directed to Senior Petitions Examiner Brian Hearn at (703) 305-1820.



Stephen G. Kunin  
Deputy Commissioner for  
Patent Examination Policy